

QUESTIONS AND ANSWERS ON CDLAC APPLICATIONS

1. The application requires a signature from a senior official of the Applicant. Who is acceptable to CDLAC?

The Executive Director, Manager or any authority within the organization that can bind or obligate the Applicant.

2. What if no trustee or underwriter is identified as yet? Is that considered an incomplete application?

No, that is not considered an incomplete application. The applicant may write – not identified as yet.

3. Taxable Debt for leverage points in the Industrial Development bond section – does this include other loans outside of the bond issuance?

No – it does not. It only refers to actual taxable debt.

4. Does the information for a partnership include LLCs?

Yes

5. If the space provided below the question is adequate to answer the question, does the Applicant have to use an Attachment?

No – Applicants may respond directly on the application unless a specific attachment form is provided by CDLAC.

6. If a project is proposed in an Enterprise Zone, does the applicant need to provide further information to justify the Enterprise Zone designation?

No – no further information to justify the designation is required. However, the Applicant will have to show on a map, the specific location of the project within that Enterprise Zone.

7. How does a Single Family Housing Issuer show that their program is consistent with the adopted housing element?

The Issuer should copy the sections of the housing element that evidence compliance and provide a certification from the city clerk or the clerk of the board indicated that these sections are in fact actual sections from the housing element.

8. To evidence site control, may the Project Sponsor simply state that they have site control through a lease, escrow agreement etc. or does the Project Sponsor need to

provide the documentation i.e. lease agreement, escrow agreement, option agreement etc.?

Yes – actual documentation is required as part of the application.

9. Does the definition of Restricted Rental Unit include common area (employee) units?

An employee unit is considered a Restricted Rental Unit as long as it too is restricted at 60% or below area median income.

10. Does completion of Attachment Q of the Qualified Residential Rental Application form satisfy the local approvals requirement of Section 17.I.A.3 of the Procedures?

Yes

11. The HUD Income Limits are not out as yet. Do we use 1998 HUD Income Limits?

If the new HUD Income Limits are not out before February 17th, use the 1998 limits.
If they are out before February 17th, use the 1999 limits.

12. If a local planning department refuses to sign the Verification of Local Approvals and Permits form and the project is an acquisition & rehabilitation residential rental project with no outstanding zoning issues (other than ministerial approvals), what do we do?

Ask the planning department to provide a letter that confirms that there are no outstanding or unresolved zoning, conditional use permits or variance issues related to the project.

13. If an application is submitted to CDLAC indicating that the project will be financed on a public offering basis, but is later changed to a direct private placement with no change in the lender, does the project have to be re-approved by the Committee?

This should be fully explained in the application. If a change occurs, as long as the lender/private placement provider does not change, CDLAC staff will have to be notified. It would not be necessary to go before the Committee a second time.